GOVERNMENT OF INDIA
FOOD PROCESSING INDUSTRIES
LOK SABHA

UNSTARRED QUESTION NO:3122
ANSWERED ON:12.08.2010
FPI IN MAHARASHTRA
Rane Dr. Nilesh Narayan

Will the Minister of FOOD PROCESSING INDUSTRIES be pleased to state:

(a) whether the Union Government has received proposals from the Government of Maharashtra to set up new food processing units in Ratnagiri district of the State;

(b): if so, the details thereof; and

(c): the action taken by the Government thereon?

Answer

THE MINISTER OF FOOD PROCESSING INDUSTRIES (SHRI SUBODH KANT SAHAI)

(a): Ministry of Food Processing Industries extends financial assistance in the country in the form of grant-in- aid to implementing agencies/entrepreneurs @ 25% of the cost of Plant & machinery and Technical Civil Works subject to a maximum of Rs. 50 lakhs in general areas or 33.33% subject to a maximum of Rs. 75 lakhs in difficult areas under the Scheme of Technology Upgradation/Establishment/ Modernization of food processing industries. No such proposal is received directly from the State Government of Maharashtra to set up new food processing units in Ratnagiri District.

Earlier all the applications for such grants were received by the Ministry through the State Nodal Agencies. These applications were then Centrally processed and grants disbursed directly by the Ministry. From 2007-08, the receipt of applications, their appraisal, calculation of grant eligibility as well as disbursement of funds has been completely decentralized. Under the new procedure, an entrepreneur/ applicant can file application with the neighborhood Bank branch/ Financial Intuition (FI). The Bank/FI would then appraise the application and calculate the eligible grant amount as per the detailed guideline given to them by the Ministry. The Banks/FIs appraisal report and its recommendation for the release of grant is transmitted to the Ministry through e-portal established for this purpose. After the recommendation is received from the Bank/ FI, the Ministry sanctions the grant and transfer the funds through the e-portal.

(b) & (c): Do not arise.